[English]

Export of Cotton

669. SHRI BANWARI LAL PUROHIT : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have cleared export of 7 lakh bales of raw cotton;

(b) if so, whether the production of cotton has fallen considerably this year and the prices of cotton in the domestic market has increased due to the steps of the Government to export more cotton;

(c) if so, whether the government propose to reconsider its decision to export cotton in view of indigonous demand;

(d) if so, the details thereof; and

(e) the other steps being taken by the Government to check the prices of cotton?

THE MINISTER OF TEXTILES (SHRI R. L. JALLAPA): (a) Yes, Sir.

(b) It is too early to make any correct assessment of cotton production for the cotton season October, 1997 September, 1998. As regards prices of cotton, these vary on account of various factors e.g quality, quantity of arrivals, rains, export of cotton, etc.

(c) to (e) Cotton exports quota will be released by the government to various State Federations, CCI, NAFED, trade etc., from time to time every year, after taking into account all relevant factors, including estimated production, availability, domestic demand and likely surplus of cotton, as well as price trends etc.

Evasion of Excise Duty

670. COL. SONA RAM CHOUDHARY : Will the Minister of FINANCE be pleased to state:

(a) whether Central Excise revenue is being evaded by the manufacturer with impunity in large number of cases and the Central Excise authorities do not seems to be serious about that;

(b) if so, the details thereof and the reasons therefor;

(c) the number of Central Excise revenue evasion cases detected during the last three years, year-wise along with amount involved therein; and

(d) the steps taken or being taken by the Government to strengthen the Central (Revenue) Excise Department to check such evasion by frequent/periodical checks of manufacturing units?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) and (b) No, Sir. Evasion, through a clandestine activity, the Central Excise Department is serious about prevention as well as detection of cases of evasion.

(c) The details are as under:—

Year	No. of cases	Amount of duty involved (Rs. in crores)
1994–95	7606	1386.03
1995–96	6662	1236.27
1996–97	7053	1421.42

(d) The Directorate General of Anti-Evasion and the officers of Central Excise Commissionerates have been asked to collect intelligence, organise search operations, transit checks, surveillance, surprise checks and stock-takings in the manufacturing units, to detect any evasion of Central Excise duties. Deterrent penalties and interests duty evaded has been provided recently in the Central Excise law.

Introduction of Gold-Denominated Financial Instruments

671. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) is proposing the introduction of new gold-denominated financial instruments like gold bonds, gold deposits and gold-schemes;

(b) the genesis behind this move and how far it will be favourable in integration in the domestic financial markets viz. money, securities, forex and capital markets—with that of gold; and

(c) the reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) The Reserve Bank of India is considering the feasibility of introducing gold-related financial products like gold-denominated deposits, gold-denominated loans, gold accumulation plans etc. in line with the recommendations made by the Committee on Capital Account Convertibility (1997).

(b) and (c) The rationale behind introduction of gold-denominated financial products is to provide an alternative to physical gold as a means of saving/investment for the Indian population without the attendant risks of security, handling costs etc. and develop gold linked securities/